



The Rise of Social Commerce

Major Retailers Have a Lot to Learn About Promoting Their Flash Sales from Websites Like Groupon

Santa Monica, CA, September 27, 2010 – Interpret, a leading entertainment, media and technology market research firm, today released an [Interpretations](#) report, “The Rise of Social Commerce” which found that major retailers are not leveraging social media to promote their flash sales as effectively as smaller dedicated websites. Interpret’s [New Media Measure™](#) study finds 68% of online shoppers are cutting back on their spending in this tight economy - retailers have responded by offering “flash” sales on their websites on a limited quantity item for a short amount of time at deep discounts. Interpret found that 22 of the top 25 online retailers offer a form of flash sale on their website, but they have yet to implement a strategy as successful as sites such as Groupon, Gilt and ideeli. The success of these dedicated sites can be attributed to how effectively they leverage a new social media phenomenon called “Collective Buying,” where a certain number of people must buy the coupon before the discount becomes valid.

“The most successful online retailers are not using social media to promote their deals effectively,” said Zak Kirchner, Senior Research Analyst, Interpret LLC. “Unlike dedicated flash sites Groupon and Gilt that have leveraged the social web to achieve strong flash sales success, very few of the major retailers have used social networks to promote their flash sales, which is a missed opportunity.”

New Media Measure™ is Interpret LLC’s proprietary, quarterly survey of media behaviors, attitudes and product consumption. Designed to keep pace with the evolving media landscape, New Media Measure™ supplies the means to better measure and keep track of fast-changing consumer behaviors. New Media Measure™ surveys 9,000 consumers aged 12-65, representative of the U.S. population and weighted to U.S. Census. Data collected includes: demographics, psychographics, brand consumption, traditional media consumption, online and social networking, mobile phone, video gaming, and digital entertainment. Data is available via *Interface*, a web-accessible, interactive analysis tool, through *Intrend*, quarterly trend reports, and through *Interpretations*, monthly whitepapers written by Interpret analysts.

About Interpret LLC

Interpret LLC is a leading entertainment, media and technology measurement and market research firm that applies proprietary, cutting edge methodologies and extensive category knowledge to help companies plan, test, and measure their business strategies. www.interpretllc.com.

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